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SB 184

Talent Agent Bond Increase

Issue:

Most individuals who are represented by talent agencies are paid directly through the agency. As a result, a busy agency will often have tens of thousands of dollars in wages belonging to their representatives. In some cases, agencies in financial trouble, have diverted wages or even closed the agency, causing dozens or even hundreds of individuals to lose their wages.

In order to recover those lost wages, a performer has rights to a talent agency's surety bond which serves as insurance in the amount of \$10,000. The majority of the cases where agents improperly used funds far exceed \$10,000 and it is simply not enough to cover the financial loss ensured by the agency.

Solution:

The Legislature created the Talent Agencies Act (Lab. Code, §1700 et seq.) to shield artists from unscrupulous agents and managers. It creates licensing requirements, a bond, and an administrative law process using the Labor Commissioner to resolve disputes.

SB 184 would amend Labor Code section 1700.15 to change the amount of a surety bond for a talent agency from \$10,000 to \$50,000. Increasing the bond amount to \$50,000, to be deposited with the Labor Commissioner, allows for greater penalties to recompense an artist and hence serves as a greater deterrent to halt abuses. There has been no amendment to this statute since 1986.

Sponsor:

Screen Actors Guild